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Contribution by the Economic Commission for Europe to cycles of the Commission on Sustainable Development

Chair's summary: regional implementation forum of the Economic Commission for Europe on sustainable development (Geneva, 15 and 16 December 2005)**

I. Overview

1. In preparation for the fourteenth session of the Commission on Sustainable Development, member States of the Economic Commission for Europe (ECE), representatives of civil society, the United Nations and other international bodies met in Geneva to review the region's progress in implementing the World Summit on Sustainable Development commitments relating to the thematic cluster of the Commission's fourteenth and fifteenth sessions, namely energy for sustainable development, industrial development, air pollution/atmosphere and climate change.

2. The cluster is critical to the achievement of global sustainable development. The ECE Regional Implementation Forum considered progress within the region, as well as its contribution at the global level. In so doing, it addressed significant interlinkages and cross-cutting issues.

3. The Forum discussed obstacles and challenges to implementation, but also ways to overcome them. The Forum's assessment was that the region was not yet on track to deliver its Summit commitments. The Discussions however offered valuable insights into what could be done to accelerate progress, within the region and globally.

* E/CN.17/2006/1.

** The report of the meeting was issued as a document of the Economic Commission for Europe (E/ECE/1442).

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4. There have been a number of important milestones since the Summit, including the International Conference for Renewable Energies in Bonn, Germany, and the subsequent meeting in Beijing; the Energy for Development conference in the Netherlands; the Group of Eight Gleneagles action plan on energy, climate change and sustainable development; the eleventh session of the Conference of Parties to the United Nations Framework Convention on Climate Change; and the first meeting of parties to the Kyoto Protocol in Montreal, Canada; all of which the Commission can build on.

5. The key challenges we face are to increase access to energy services to meet basic human needs and achieve sustainable industrial development, while reducing energy-related environmental and health problems, in particular those related to air pollution and climate change.

6. Regional and national differences significantly alter implementation experiences and priorities, as is apparent inside the ECE region, as indeed globally. It is important that the global review of progress take full account of these differences and that the Commission at its fourteenth and fifteenth sessions recognize the contribution of the regions.

7. The thematic issues need to be considered in the context of the overarching objectives of sustainable development: eradicating poverty, changing unsustainable patterns of production and consumption, and protecting the natural resource base for economic and social development.

8. Energy for sustainable development is the issue that binds this thematic cluster together. Both within the ECE region and globally, intensified efforts are required to steer us onto a markedly and truly sustainable energy path.

9. The present summary was produced in consultation with the Vice-Chair and Co-Chairs of the Forum, informed by the wide range of inputs by the diverse ECE membership and stakeholders. It aims to capture the main challenges to progress so far, together with key opportunities to expedite implementation of our commitments.

II. Energy for sustainable development

Challenges

10. The Plan of Implementation of the World Summit on Sustainable Development (Johannesburg Plan of Implementation) includes goals on access to energy services for sustainable development to facilitate the achievement of the Millennium Development Goals, and goals for the diversification of energy supplies, including through a substantial increase of the global share of renewable energy sources.

11. With more than 1.6 billion people still lacking access to electricity worldwide and 2.4 billion using traditional biomass, improving access to reliable, affordable and environmentally sound energy services is still a major challenge to poverty eradication and the achievement of the Millennium Development Goals. Availability of energy is not in itself a critical concern to most countries of the ECE region. Nonetheless, energy poverty exists in the region as a result of affordability, given that energy accounts for a significant component of disposable income.

12. Improving access to energy services to meet basic human needs and achieve sustainable industrial development should be a top priority for the fourteenth and

fifteenth sessions of the Commission. ECE countries share a large responsibility in tackling this task through official development assistance and partnerships.

13. However, this should not overshadow the equally high importance of energy-related environmental issues and the issue of energy security, in the ECE region and the rest of the world.

14. Energy efficiency and energy savings have been identified as key priorities contributing to sustainable energy and areas where the ECE region can make particular progress. Energy efficiency measures yield a net cost benefit as well as many ancillary economic and environmental benefits. In this regard, they are an excellent win-win option. However, barriers need to be overcome for energy-efficient measures to deliver their full potential; this requires education and awareness-raising (sometimes fostering behavioural change), regulatory and energy-pricing reforms, emissions trading, and particularly the establishment of adequate financing instruments. Demand for transport was identified as particularly challenging.

15. The supply of energy will remain a major challenge as worldwide demand continues to grow, despite a decoupling of energy demand and economic growth. Security of supply is of particular concern to the ECE region, and needs to be reinforced by diversifying both geographical and fuel sources, securing adequate investment in production, transport and distribution infrastructure, and deepening political dialogue between producer and consumer countries.

16. Diversification of supply needs to include a significant increase in the share of renewable energy, in line with ECE regional commitments made before the Summit, decreasing the environmental impact and carbon intensity of fossil energies, and improving the energy efficiency of energy transformation and networks. Fossil fuels will continue to constitute the bulk of supplies for the foreseeable future, but their use can be gradually reduced.

Opportunities for progress

17. The ECE region plays a leading role in increasing research, development and deployment of energy technologies, reducing unit costs and making such technologies available to developing countries. There is also a need to improve the deployment of existing technologies, for which there is a growing market as fuel prices rise. In the longer term, new technologies will be needed to achieve sustainable energy supplies. International cooperation and unencumbered trade are essential to enable the required technology development and transfer. Market-oriented instruments such as joint implementation, clean development mechanisms and international emissions trading, can contribute to such a process.

18. It is estimated that $16 trillion in investment will be required between 2003 and 2030 to meet projective energy demand by converting the world's resources into available supply. The Commission on Sustainable Development can address many issues related to energy and investment, including investment frameworks, governance, the role of the international financial institutions, regulation and pricing. Market signals are crucial for energy investment decisions, hence the need to ensure predictability through well-designed regulatory frameworks.

19. Energy issues need to be better integrated in development planning to reflect interaction between energy policies and to address economic development and the

environment, including climate change and atmospheric pollution, health, industrial and regional development.

20. In order to make progress, it will be important to take full account of gender equality issues associated with energy, notably the health impact of indoor air pollution, as well as to provide education, information and, particularly in developing countries, capacity-building.

21. At its fifteenth session, the Commission will also need to take a decision on an effective and meaningful review and follow-up of outcomes on energy, especially on a review arrangement for a worldwide substantial increase of renewable energies, as envisaged by the Johannesburg Plan of Implementation and the Beijing Declaration.

III. Industrial development

Challenges

22. Industrial development is an engine for poverty eradication and economic growth, which need to be based on economically, environmentally and socially sound policies. Adopting such policies enables a mutually reinforcing relationship between environmental protection, competitiveness and social cohesion, necessary to avoid unsustainable development that has a negative impact on the global climate, damages ecosystems and undermines people's health and livelihoods.

23. In an increasingly globalized world, we need to take account of all factors influencing industrial development, as well as of social issues, such as high levels of unemployment, which can arise from industrial restructuring, particularly in developing countries and countries with economies in transition.

Opportunities for progress

24. Sustainable consumption and production is essential to achieving sustainable industrial development. Developed countries need to take the leading role in this, as called for in the Johannesburg Plan of Implementation. Sustainable consumption and production is of growing interest to developing and transition countries, given the opportunities to develop in ways that make cost-effective use of available resources and minimize the negative impact on human health and the environment. This requires programmes that improve access to affordable, clean and efficient technologies, backed by cooperation between countries on regulatory and administrative issues.

25. ECE member States and many other developed and developing countries are active in the Marrakesh Process in order to change unsustainable consumption and production patterns. Participants at the second review meeting, held in Costa Rica in September 2005, discussed barriers and constraints to sustainable consumption and production, identifying further progress required in the areas of leadership, incentives, dialogue, tools, education, capacity-building and urban planning. There was also consensus on acknowledging the importance of the costs of inaction. The recommendations and outcomes of the Marrakesh Process and its task forces need to be pursued in an active and practical way.

26. Cleaner production centres have an important role to play in developing policies that take account of local conditions, building capacity at the local level,

and transferring knowledge and technology. Capacity-building and education play a vital role in raising consumer awareness, which in turn leads to greater demand for environmental products and services.

27. The involvement of business is critical for achieving sustainable development. There is a need for further development and promotion of corporate social and environmental responsibility and accountability in support of this role, including capacity-building for small and medium-sized enterprises, which have an important contribution to make to economic development but are not always aware of their social and environmental impact or obligations.

28. In order for industrial development and a well functioning labour market to be sustained, it is important to enforce International Labour Organization core labour standards. Similarly, it is essential to ensure gender equality through training, education and financial assistance, enabling women's entrepreneurship to thrive.

IV. Air pollution, atmosphere and climate change

Challenges

29. Air pollution has serious adverse effects on human health and the environment, and an overall negative impact on social welfare and the economy. The health of the poor, in particular women and children, is disproportionately affected. The causes, degree and impact of air pollution vary considerably between countries and regions and are closely associated with the other thematic issues of the fourteenth and fifteenth sessions of the Commission.

30. Although progress has been made in the region to reduce air pollution, urbanization combined with increased levels of transportation and energy use have led to a rise in air pollution globally, negatively affecting human health and causing environmental degradation, including climate change.

31. In less developed countries, indoor air pollution from the use of traditional fuels for heating and cooking is a specific concern. According to the World Health Organization, 1.6 million people worldwide, mostly women and children, die every year as a result of respiratory conditions associated with indoor air pollution.

32. In both developed and developing countries, ambient air pollution is a growing public health concern. In addition to domestic sources, transport, industry and power production are all contributing factors. In the ECE region, increasing levels of transport are a significant cause of air pollution.

33. Climate change poses a serious and long-term challenge with the potential to affect every part of the globe, undermine poverty eradication efforts and threaten the achievement of the Millennium Development Goals.

Opportunities for progress

34. The ECE Convention on Long-Range Transboundary Air Pollution and its protocols have been effective in reducing air pollution across large areas of the region. ECE can share its experience of such work, which could be helpful for other regions. Collaboration between regions, especially between ECE and Asia and North Africa, will be essential to tackle the newly perceived problems of intercontinental transport of air pollution. There is a need to address air pollution

from maritime and aviation transport, the emissions of which are becoming proportionately more significant sources in the region.

35. Further cooperation is required between countries, agencies and with business on promoting examples of good practice and stimulating dialogue on innovative policy, planning and technology development.

36. International cooperation is required to put ourselves on the path of slowing, stopping and reversing the growth of greenhouse gas emissions. There is widespread satisfaction with the outcome of the United Nations Framework Convention on Climate Change conference, held in Montreal, Canada, in December 2005, including agreement by all countries to participate in dialogue under the Convention on a global effort to tackle climate change beyond 2012.

37. Urgent action is required to meet our objectives of reducing greenhouse gas emissions, improving the global environment, cutting air pollution and enhancing energy security in conjunction with efforts to eradicate poverty. By addressing these issues in an integrated fashion, including the need for action at all levels, the Commission on Sustainable Development can complement the efforts of the Convention and other forums in meeting these challenges. An important focus will be the promotion of sustainable energy technology and investment in support of climate change objectives.

38. Recent studies of linkages between air pollution and greenhouse gas emissions have shown that significant savings can be made through integrated approaches, which should be developed further, taking special care to explore trade-offs, e.g. the use of wood for fuel, increasing particle emissions but reducing greenhouse gases.

V. Interlinkages and cross-cutting issues

39. There are clear and significant interlinkages between the themes of this cluster that need to be addressed if progress is to be accelerated and sustained. In addition, at its eleventh session, the Commission identified a number of cross-cutting issues, including the means of implementation, that need to be tackled.

40. To achieve real and sustainable progress in all of these areas, we need to adopt an integrated approach, for example in planning and transport policy, that takes account of social, economic and environmental considerations. Pursuing sectoral commitments in isolation can compromise the achievement of other policy objectives.

41. The means of implementation, including financial resources, are critical in the ECE region and indeed globally. For developing countries, particularly least developed countries, provision of adequate official development assistance is essential, as is effective support through international organizations and mechanisms, such as the Global Environment Facility, which needs to be properly replenished.

42. However, each country is responsible for its own development and can benefit from creating the right investment climate, including through improved governance, ensuring the rule of law, respect for human rights and gender equality.

43. The integration of each of the thematic issues into national policies and programmes is very important. Examples include national sustainable development

strategies, for which the World Summit on Sustainable Development agreed upon a 2005 target, and comprehensive development strategies (such as poverty reduction strategies), for which the recent United Nations World Summit agreed upon a target of adoption by 2006.

44. National Governments need to deploy a mix of policy instruments, combining best regulatory practice, market mechanisms (including internalizing external costs and tackling energy subsidies) and voluntary measures. A similar combination is required at the global level, working within a comprehensive framework of multilateral commitments, as discussed in the context of Group of Eight talks on energy, climate change and sustainable development.

45. The development of affordable and environmentally sound technologies is essential for progress across the thematic cluster. Further efforts are needed on research, development and deployment, technology support, transfer and access.

46. To enable Governments and stakeholders to implement commitments, capacity-building is essential in both the ECE region and developing countries, such as through education and the provision of information. The ECE Strategy for Education for Sustainable Development provides a model that could be useful for other regions.

47. Women and children are disproportionately affected by indoor air pollution and are less likely to receive education or gain employment as a result of being assigned domestic tasks and responsibility for wood fuel collection. Pursuing gender equality is therefore intrinsic to our efforts.

48. Meaningful implementation requires early and sustained engagement with a range of actors, including international financial institutions, public and private sectors, civil society and partnerships. The fourteenth session has much to gain from events as diverse as World Bank Energy Week and the regional preparatory meeting planned by the civil society groups of East European, Caucasus and Central Asian countries.

49. In particular, we need to establish how to promote the investment necessary for countries to get onto the path of sustainable energy. This requires dialogue with private financiers (about conducive investment environments), the World Bank (for example, about their small grants programme), and development agencies and partnerships.

50. Voluntary multi-stakeholder partnerships, such as the Renewable Energy and Energy Efficiency Partnership, Renewable Energy and Policy Network for the 21st Century, Johannesburg Renewable Energy Coalition, Renewable Energy Financing in the Mediterranean, Collaborative Labeling and Appliance Standards Program, Vinyl 2010 and the Adriatic Action Plan 2020 (some of which gave presentations to the Forum), have a major contribution to make as a complement to intergovernmental commitments.

51. Identifying "champions" for particular kinds of implementation activity could spur further action. These can be included in a matrix of policy options and practical measures, along the lines proposed by the Chair of the fourteenth session of the Commission.

VI. Outcomes of the fourteenth and fifteenth sessions

52. During the global review of its fourteenth session, the Commission needs to catalyse interactive discussion between a range of Governments and stakeholders. It should generate a focused outcome that highlights the priority issues requiring attention during the policy year of its fifteenth session.

53. At its fifteenth session, the Commission will need to agree upon implementation measures, negotiated policy guidance and complementary non-negotiated outcomes, which will add value to what is being done in other forums. Such measures should be concrete and quantifiable, directed at expediting and monitoring action to close gaps in implementation and deliver shared commitments. In this regard, it will be important to decide on effective review and follow-up arrangements, including the use of relevant targets and indicators and the Chair's matrix.